

Message Text

CONFIDENTIAL

PAGE 01 PRAGUE 02209 01 OF 02 110903Z

11

ACTION L-03

INFO OCT-01 EUR-25 ISO-00 FCSC-01 CEA-02 FRB-03 EB-11

CIAE-00 INR-11 NSAE-00 RSC-01 SS-20 NSC-07 CIEP-03

SP-03 OMB-01 TRSE-00 DRC-01 /093 W

----- 100226

P 101448Z SEP 74

FM AMEMBASSY PRAGUE

TO SECSTATE WASHDC PRIORITY 6911

INFO AMEMBASSY BRUSSELS PRIORITY

AMEMBASSY BONN PRIORITY

AMEMBASSY LONDON PRIORITY

AMEMBASSY PARIS PRIORITY

AMCONSUL ZURICH PRIORITY

C O N F I D E N T I A L SECTION 1 OF 2 PRAGUE 2209

BONN FOR GOLD COMMISSIONER CROWLEY

E.O. 11652: GDS

TAGS: PFOR, EFIN, CZ, US

SUBJECT: US-CSSR CLAIMS AGREEMENT: TEXTS OF ANNEXES A AND B

REFS: A. PRAGUE 2148

B. STATE 176410

C. PRAGUE 2205

1. THIS TELEGRAM CONTAINS TEXTS OF ANNEXES A AND B WITH CHANGES
PROPOSED IN MEETING BETWEEN CSSR MFA EXPERT AND EMBOFF ON
SEPTEMBER 9 (SEE REF C).

2. ANNEX A

IN CONNECTION WITH ARTICLE 11, THE DELIVERY OF THE FURTHER ADVANCE
OF 18,400 KILOGRAMS OF GOLD IN RESPECT OF THE
SHARE OF THE CZECHOSLOVAK GOVERNMENT OF THE GOLD IN THE
CUSTODY OF THE TRIPARTITE COMMISSION FOR THE RESTITUTION
OF MONETARY GOLD, SHALL BE MADE IN ACCORDANCE WITH THE
FOLLOWING PROCEDURE:

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 PRAGUE 02209 01 OF 02 110903Z

(1) AFTER THE SIGNING OF THIS AGREEMENT, AT THE SAME

TIME AS THE GOVERNMENT OF THE UNITED STATES, PURSUANT TO ARTICLE 7, ADVISES THE TRIPARTITE COMMISSION FOR THE RESTITUTION OF MONETARY GOLD OF ITS AGREEMENT TO THE RELEASE OF THE 18,400 KILOGRAMS TO THE CZECHOSLOVAK GOVERNMENT, THE GOVERNMENT OF THE UNITED STATES WILL ADVISE THAT IT SUPPORTS THE REQUEST OF THE CZECHOSLOVAK GOVERNMENT FOR THE PRE-POSITIONING OF THE GOLD IN AN ACCOUNT OF THE TRIPARTITE COMMISSION FOR THE RESTITUTION OF MONETARY GOLD IN THE SWISS BANK CORPORATION IN ZURICH, SUBJECT OF COURSE TO THE PAYMENT OF ALL ASSOCIATED CHARGES AND THE EXECUTION OF ALL APPROPRIATE DOCUMENTS BY THE CZECHOSLOVAK GOVERNMENT. AFTER THE GOLD HAS BEEN PRE-POSITIONED IN AN ACCOUNT IN THE SWISS BANK CORPORATION IN ZURICH, THE GOVERNMENT OF THE UNITED STATES WILL SEEK, WITH THE CONCURRENCE OF THE BRITISH AND FRENCH GOVERNMENTS, AN EARLY SITTING IN THE OFFICE OF THE SECRETARY GENERAL OF THE TRIPARTITE COMMISSION FOR THE RESTITUTION OF MONETARY GOLD AT BRUSSELS, AT WHICH ONE SITTING THE PROCEDURE SET FORTH IN PARAGRAPHS 3, 4 AND 5 BELOW WILL TAKE PLACE.

(2) AFTER SIGNING OF THE AGREEMENT AND PRIOR TO THE SITTING IN THE OFFICE OF THE SECRETARY GENERAL, IN ORDER TO MEET THE REQUEST SET FORTH IN PARAGRAPH 3 BELOW, THE CZECHOSLOVAK GOVERNMENT WILL PROVIDE ITS AMBASSADOR AT BRUSSELS WITH THE NECESSARY FULL POWERS AND WILL AUTHORIZE HIM TO ADVISE THE SECRETARY GENERAL THAT THE DELIVERY ORDER SHOULD BE MADE OUT IN THE NAME OF THE GOVERNMENT OF THE CZECHOSLOVAK SOCIALIST REPUBLIC.

(3) AT THE SITTING IN THE OFFICE OF THE SECRETARY GENERAL, AFTER THE UNITED STATES COMMISSIONER HAS SIGNED THE CZECHOSLOVAK AWARD WHICH WILL AT THE SAME TIME OR WILL HAVE THERETOFORE BEEN SIGNED BY THE FRENCH AND UNITED KINGDOM COMMISSIONERS, THE SECRETARY GENERAL OF THE TRIPARTITE COMMISSION FOR THE RESTITUTION OF MONETARY GOLD AT BRUSSELS WILL HAND OVER TO THE AMBASSADOR OF THE CZECHOSLOVAK SOCIALIST REPUBLIC AT BRUSSELS A LETTER FROM THE TRIPARTITE COMMISSION FOR THE RESTITUTION OF MONETARY GOLD ANNOUNCING A FURTHER ALLOCATION OF GOLD TO THE CZECHOSLOVAK SOCIALIST REPUBLIC, IN THE TYPICAL FORM OF SUCH LETTERS, AND WILL ENCLOSE THERETO A COPY OF THE ISSUED AWARD AND DRAFT DELIVERY ORDER BRACKETED WITH DETAILED SPECIFICATION END BRACKETS IN THE AMOUNT OF 10,397.3164 KILOGRAMS OF GOLD IN COINS AND 8,002.6836 KILOGRAMS OF GOLD

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 PRAGUE 02209 01 OF 02 110903Z

IN BARS UPON THW SWISS BANK CORPORATION IN ZURICH. IN THIS LETTER THE SECRETARY GENERAL WILL ALSO REQUEST THE CZECHOSLOVAK GOVERNMENT TO DESIGNATE THE INSTITUTION OR BODY IN WHOSE NAME THE DELIVERY ORDER SHOULD BE MADE OUT AND TO PROVIDE THE AMBASSADOR OF THE CZECHOSLOVAK SOCIALIST REPUBLIC AT BRUSSELS WITH FULL POWERS WHICH WILL AUTHORIZE HIM TO ACCEPT THE DELIVERY ORDER AND TO EXECUTE A RECEIPT FOR IT. THE LETTER WILL ALSO ENCLOSE A DRAFT FORM OF RECEIPT IN THE TYPICAL FORM

OF SUCH RECEIPTS.

(4) UPON/RECEIPT BY THE AMBASSADOR OF THE CZECHOSLOVAK SOCIALIST REPUBLIC OF THE LETTER FROM THE SECRETARY GENERAL AT THE SITTING, THE AMBASSADOR OF THE CZECHOSLOVAK SOCIALIST REPUBLIC AT BRUSSELS WILL HAND OVER THE SECRETARY GENERAL OF THE TRIPARTITE COMMISSION FOR THE RESTITUTION OF MONETARY GOLD A COPY OF THE FULL POWERS AND ADVISE HIM THAT THE STATNI BANKA CESHOSLOVENSKA/STATE BANK OF CZECHOSLOVAKIA IS THE DESIGNATED INSTITUTION OR BODY.

(5) THEN THE SECRETARY GENERAL WILL DELIVER TO THE AMBASSADOR OF THE CZECHOSLOVAK SOCIALIST REPUBLIC THE ORIGINAL OF THE DELIVERY ORDER BRACKETED WITH SPECIFICATION END BRACKETS SIGNED BY THE THREE COMMISSIONERS, AGAINST AN ORIGINAL VERSION OF THE FULL POWERS FROM THE CZECHOSLOVAK GOVERNMENT AND AGAINST A RECEIPT SIGNED BY HIM FOR THE DELIVERY ORDER.

(6) IN ACCORDANCE WITH THE REGULAR PROCEDURE OF THE TRIPARTITE COMMISSION FOR THE RESTITUTION OF MONETARY GOLD, THE SECRETARY GENERAL WILL THEREUPON TRANSMIT A SIGNED DUPLICATE OF THE DELIVERY ORDER TO THE SWISS BANK CORPORATION IN ZURICH.

(7) UPON RECEIPT OF THE SIGNED DUPLICATE OF THE DELIVERY ORDER ON IT AND SUBJECT TO THE PROCEDURE SET FORTH IN ANNEX B HEREOF, THE SWISS BANK CORPORATION SHALL TRANSFER ON ITS BOOKS THE GOLD DESCRIBED IN THE DELIVERY ORDER FROM THE ACCOUNT OF THE TRIPARTITE COMMISSION FOR THE RESTITUTION OF MONETARY GOLD TO THE ACCOUNT OF THE GOVERNMENT OF THE CZECHOSLOVAK SOCIALIST REPUBLIC.

3. ANNEX B

IN CONNECTION WITH ARTICLE 11, THE DELIVERY OF THE SUMS OF \$4,000,000 AND \$2,869,868.10 IN UNITED STATES CURRENCY TO THE GOVERNMENT OF THE UNITED STATES SIMULTANEOUS WITH THE DELIVERY OF THE 18,400 KILOGRAMS OF GOLD PURSUANT TO
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 PRAGUE 02209 01 OF 02 110903Z

ANNEX A TO THE CZECHOSLOVAK GOVERNMENT SHALL TAKE PLACE IN ACCORDANCE WITH THE FOLLOWING PROCEDURE:

(1) PRIOR TO SIGNATURE OF THE AGREEMENT EACH GOVERNMENT WILL HAVE OBTAINED FROM THE SWISS BANK CORPORATION A CONFIRMATION THAT IF IT RECEIVES THE LETTER SET FORTH BELOW IN PARAGRAPH

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 PRAGUE 02209 02 OF 02 110914Z

11

ACTION L-03

INFO OCT-01 EUR-25 ISO-00 FCSC-01 CEA-02 FRB-03 EB-11

CIAE-00 INR-11 NSAE-00 RSC-01 SS-20 NSC-07 CIEP-03

SP-03 OMB-01 TRSE-00 DRC-01 /093 W

----- 100327

P 101448Z SEP 74

FM AMEMBASSY PRAGUE

TO SECSTATE WASHDC PRIORITY 6912

INFO AMEMBASSY BRUSSELS PRIORITY

AMEMBASSY BONN PRIORITY

AMEMBASSY LONDON PRIORITY

AMEMBASSY PARIS PRIORITY

AMCONSUL ZURICH PRIORITY

C O N F I D E N T I A L SECTION 2 OF 2 PRAGUE 2209

2, IT WILL EXECUTE THE ARRANGMENTS THEREIN DESCRIBED AND WILL NOT HONOR THE DELIVERY ORDER OF THE TRIPARTITE COMMISSION FOR THE RESTITUTION OF MONETARY GOLD EXCEPT AS THEREIN DESCRIBED. EACH GOVERNMENT WILL HAVE ADVISED THE BANK THAT IT CONCURS IN THE GIVING OF SUCH COMMITMENT TO THE OTHER GOVERNMENT. THE CZECHOSLOVAK GOVERNMENT WILL PAY THE CHARGES, IF ANY, OF THE SWISS BANK CORPORATION FOR EXECUTING THE ARRANGEMENTS.

(2) AT THE TIME OF SIGNATURE OF THE AGREEMENT, THE CZECHOSLOVAK GOVERNMENT WILL PROVIDE THE GOVERNMENT OF THE UNITED STATES WITH A LETTER ADDRESSED TO THE SWISS BANK CORPORATION IN ZURICH. THIS LETTER, WHICH SHALL BE DELIVERED TO THE SWISS BANK CORPORATION BY THE GOVERNMENT OF THE UNITED STATES, SHALL READ AS FOLLOWS:

SWISS BANK CORPORATION
ZURICH, SWITZERLAND

....DAY OF, 1974

DEAR SIRS:

IT IS ANTICIPATED THAT IN THE NEAR FUTURE THE TRIPARTITE COMMISSION FOR THE RESTITUTION OF MONETARY GOLD WILL OPEN AN ACCOUNT IN YOUR BANK AND DEPOSIT THEREIN
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 PRAGUE 02209 02 OF 02 110914Z

18,400 KILOGRAMS OF GOLD IN GOLD COINS AND BARS. SHORTLY THEREAFTER IT IS ANTICIPATED THAT THE GOVERNMENT OF THE CZECHOSLOVAK SOCIALIST REPUBLIC WILL RECEIVE FROM THE TRIPARTITE COMMISSION FOR THE RESTITUTION OF

MONETARY GOLD A SIGNED ORIGINAL DELIVERY ORDER
BRACKETED WITH SPECIFICATION END BRACKETS AUTHORIZING
YOU TO HOLD THE GOLD IN QUESTION AT THE DISPOSAL OF THE
GOVERNMENT OF THE CZECHOSLOVAK SOCIALIST REPUBLIC.

AT THE SAME TIME THERE WILL BE FORWARDED TO YOU BY THE
TRIPARTITE COMMISSION FOR THE RESTITUTION OF MONETARY GOLD
A SIGNED DUPLICATE DELIVERY ORDER TO THE SAME EFFECT.

UPON RECEIPT OF THE SIGNED DUPLICATE DELIVERY ORDER TO ADVISE TH
E AMBASSADOR OF THE CZECHOSLOVAK
SOCIALIST REPUBLIC IN SWITZERLAND, WHO WILL FORTHWITH
DELIVER THE SIGNED ORIGINAL DELIVERY ORDER TO THE BANK
AND TWO CASHIERS' CHECKS ON NEW YORK CITY BANKS MADE OUT
TO THE TREASURER OF THE UNITED STATES IN THE AMOUNTS OF
\$4,000,000 AND \$2,869,868.10. YOU ARE THEN TO ARRANGE
A MEETING AT THE BANK TO WHICH THE AMBASSADORS OF THE
CZECHOSLOVAK SOCIALIST REPUBLIC AND THE UNITED STATES
OF AMERICAN ARE INVITED. AT THIS MEETING, AT THE SAME
TIME AS A REPRESENTATIVE OF THE BANK TRANSFERS THE 18,400
KILOGRAMS BRACKETED OF GOLD CORRESPONDING TO THE SPECIFICA-
TION ATTACHED TO THE DELIVERY ORDER END BRACKETS ON THE
BOOKS OF THE BANK FROM THE ACCOUNT OF THE TRIPARTITE COM-
MISSION FOR THE RESITTUTION OF MONETARY GOLD TO THE
ACCOUNT OF THE GOVERNMENT OF THE CZECHOSLOVAK SOCIA-
IST REPUBLIC, HE SHALL HAND OVER THE TWO CASHIERS' CHECKS
TO THE AMBASSADOR OF THE UNITED STATES OF AMERICA, OR
HIS DESIGNATED REPRESENTATIVE, IT BEING UNDERSTOOD THAT
THESE THRANSCTIONS SHALL TAKE PLACE SIMULTANEOUSLY AND
YOU SAHLL NOT HONOR THE DELIVERY ORDER UNTIL, AND EXCEPT
IN, THE EXECUTION OF THESE SIMULTANEOUS TRANSACTIONS.

THIS LETTER IS IRREVOCABLE WITHOUT THE WRITTEN CON-
SENT OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA.

SIGNED

FINANCE MINISTER

CZECHOSLOVAK SOCIALIST REPUBLIC

(3) AS SOON AS THE SWISS BANK CORPARATION RECEIVES THE
SIGNED DUPLICATE DELIVERY ORDER OF THE TRIPARTITE COMMISSION
FOR THE RESTITUTION OF MONETARY GOLD, IT SHALL ADVISE THE AMBAS-
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 PRAGUE 02209 02 OF 02 110914Z

SADOR OF THE CZECHOSLOVAK SOCIALIST REPUBLIC IN SWITZERLAND
WHO SHALL FORTHWITH DELIVER TO THE SWISS BANK CORPARATION THE
SIGNED ORIGINAL DELIVERY ORDER AND TWO CASHIERS, CHECKS ON
NEW YORK CITY BANKS MADE OUT TO THE TREASURER OF THE UNITED
STATES OF AMERICA IN THE AMOUNTS OF \$4,000,000 AND \$2,869,868.10

(4) THE REPRESENTATIVE OF THW SWISS BANK CORPARATION SHALL
THEN ARRANGE A MEETING AT THE BANK TO WHICH HE SHALL INVITE
THE AMBASSADORS OF THE CZECHOSLOVAK SOCIALIST REPUBLIC AND
OF THE UNITED STATES OF AMERICA IN SWITZERLAND, OR THEIR
DESIGNATED REPRESENTATIVES. AT THIS MEETING AT THE SAME
TIME AS THE REPRESENTATIVE OF THE BANK TRANSFERS THE 18,400

KILOGRAMS OF GOLD ON THE BOOKS OF THE BANK FROM THE ACCOUNT OF THE TRIPARTITE COMMISSION FOR THE RESTITUTION OF MONETARY GOLD TO THE ACCOUNT OF THE GOVERNMENT OF THE CZECHOSLOVAK SOCIALIST REPUBLIC, HE SHALL HAND OVER THE TWO CASHIERS' CHECKS TO THE AMBASSADOR OF THE UNITED STATES OF AMERICA OR HIS DESIGNATED REPRESENTATIVE, IT BEING UNDERSTOOD THAT THESE TRANSACTIONS SHLL TAKE PLACE SIMULTANEOUSLY AND THE BANK SHALL NOT HONOR THE DELIVERY ORDER UNTIL, AND EXCEPT IN, THE EXECUTION OF THESE SIMULTANEOUS TRANSACTIONS.
SHERER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AGREEMENT DRAFT, TEXT, DEBT AGREEMENTS, NEGOTIATIONS, MONETARY GOLD
Control Number: n/a
Copy: SINGLE
Draft Date: 10 SEP 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974PRAGUE02209
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740252-1015
From: PRAGUE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740959/aaaabyfg.tel
Line Count: 287
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION L
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 6
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: A. PRAGUE 2148
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 03 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <03 APR 2002 by collinp0>; APPROVED <02 JUL 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: US-CSSR CLAIMS AGREEMENT: TEXTS OF ANNEXES A AND B
TAGS: PFOR, EFIN, CZ, US
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005